

(d) Has failed to disclose any material information required to be furnished; or

(e) Has violated or conspired to violate any law of the United States relating to intoxicating liquor or has been convicted of any offense under 26 U.S.C. punishable as a felony or of any conspiracy to commit such an offense; or

(f) Is (in the case of any person who has a permit to procure or use distilled spirits free of tax for nonbeverage purposes and not for resale or use in the manufacture of any product for sale, or to procure, deal in, or use specially denatured distilled spirits) by reason of his operations, no longer warranted in procuring or using the distilled spirits or specially denatured distilled spirits authorized by his permit; or

(g) Has, in the case of any person who has a permit to procure, deal in, or use specially denatured distilled spirits, manufactured articles which do not correspond to the descriptions and limitation prescribed by law and regulations; or

(h) Has not engaged in any of the operations authorized by the permit for a period of more than 2 years; he may issue a citation for the revocation or suspension of such permit.

(72 Stat. 1349, 1370; 26 U.S.C. 5171, 5271)

[T.D. 6389, 24 FR 4790, June 12, 1959. Redesignated at 40 FR 16835, Apr. 15, 1975, and amended by T.D. ATF-48, 44 FR 55846, Sept. 28, 1979; T.D. ATF-199, 50 FR 9196 and 9197, Mar. 6, 1985; T.D. ATF-374, 61 FR 29957, June 13, 1996]

#### § 200.49 Applications for basic permits.

If, upon examination of any application (including a renewal application) for a basic permit, the district director has reason to believe that the applicant is not entitled to such permit he shall issue a citation for the contemplated disapproval of the application.

[T.D. 6954, 33 FR 6814, May 4, 1968. Redesignated at 40 FR 16835, Apr. 15, 1975; as amended by T.D. ATF-374, 61 FR 29957, June 13, 1996]

#### § 200.49a Applications for operating permits and industrial use permits.

If, on examination of an application for an operating permit or an industrial

use permit, the district director has reason to believe:

(a) In case of an application to withdraw and use distilled spirits free of tax, the applicant is not authorized by law or regulations issued pursuant thereto to withdraw or use such distilled spirits; or

(b) The applicant (including in the case of a corporation, any officer, director, or principal stockholder and, in the case of a partnership, a partner) is, by reason of the applicant's business experience, financial standing, or trade connections, not likely to maintain operations in compliance with 26 U.S.C. chapter 51 or implementing regulations; or

(c) The applicant has failed to disclose any material information required, or has made any false statement as to any material fact, in connection with his application; or

(d) The premises on which the applicant proposes to conduct the business are not adequate to protect the revenue; he may issue a citation for the contemplated disapproval of the application.

(72 Stat. 1349, 1370; 26 U.S.C. 5171, 5271)

[T.D. 6389, 24 FR 4791, June 12, 1959. Redesignated at 40 FR 16835, Apr. 15, 1975, and amended by T.D. ATF-48, 44 FR 55846, Sept. 28, 1979; T.D. ATF-199, 50 FR 9196 and 9197, Mar. 6, 1985; T.D. ATF-374, 61 FR 29957, June 13, 1996]

#### § 200.49b Applications for tobacco permits.

If, on examination of an application for a tobacco permit provided for in 26 U.S.C. 5713, the district director has reason to believe—

(a) The premises on which it is proposed to conduct the business are not adequate to protect the revenue; or

(b) The applicant (including, in the case of a corporation, any officer, director, or principal stockholder and, in the case of a partnership, a partner) is, by reason of his business experience, financial standing, or trade connections, not likely to maintain operations in compliance with 26 U.S.C. chapter 52, or has failed to disclose any material information required or made any material false statement in the application; the district director may issue a

## § 200.55

citation for the contemplated disapproval of the application.

(72 Stat. 1421; 26 U.S.C. 5712)

[T.D. 6389, 24 FR 4791, June 12, 1959. Redesignated at 40 FR 16835, Apr. 15, 1975, and amended by T.D. ATF-48, 44 FR 55846, Sept. 28, 1979; T.D. ATF-374, 61 FR 29957, June 13, 1996]

### Subpart F—Hearing Procedure

#### CITATIONS

#### § 200.55 Content.

(a) Citation for the suspension, revocation or annulment of a permit shall be issued by the district director and shall set forth (1) the sections of law and regulations relied upon for authority and jurisdiction, (2) in separate paragraphs, the matters of fact constituting the violations specified, dates, places, section of law and regulations violated, and (3) the permittee has 15 days within which to request a hearing before an administrative law judge.

(b) Citations for the disapproval of an application for a permit shall set forth (1) the sections of law and regulations relied upon for authority and jurisdiction, (2) in separate paragraphs, the matters of fact and law relied upon for the contemplated disapproval of the application, and (3) that the application will be disapproved unless a hearing is requested within 15 days.

[T.D. ATF-244, 51 FR 45763, Dec. 22, 1986, as amended by T.D. ATF-374, 61 FR 29957, June 13, 1996]

#### § 200.56 Form.

Citations shall be issued on the following forms:

(a) Form 5000.6. "Order To Show Cause", shall be used for all citations for the suspension, revocation, or annulment, as the case may be, of permits under the Internal Revenue Code or the Federal Alcohol Administration Act.

(b) Forms 5000.17. "Notice of Contemplated Disapproval of Application For Basic Permit," shall be used to

## 27 CFR Ch. I (4–1–97 Edition)

issue notice of contemplated disapproval of applications for permit.

[21 FR 1441, Mar. 6, 1956, as amended by T.D. 6389, 24 FR 4791, June 12, 1959. Redesignated at 40 FR 16835, Apr. 15, 1975, and amended by T.D. ATF-199, 50 FR 9197, Mar. 6, 1985]

EDITORIAL NOTE: For FEDERAL REGISTER citations affecting § 200.56, see the List of CFR Sections Affected in the Finding Aids section of this volume.

#### § 200.57 Execution and disposition.

Forms 5000.6 and 5000.17 shall be executed in quintuplicate. A signed duplicated original shall be served on the permittee. If a hearing is requested, one copy shall be sent to the administrative law judge designated to conduct the hearing. The original copy containing the certificate of service shall be placed in the official record of the proceeding; and the remaining copies shall be retained for the office of the district director.

[T.D. ATF-244, 51 FR 45763, Dec. 22, 1986, as amended by T.D. ATF-374, 61 FR 29957, June 13, 1996]

#### § 200.58 Designated place of hearing.

The designated place of hearing shall be such as meets the convenience and necessity of the parties.

[T.D. 6389, 24 FR 4791, June 12, 1959. Redesignated at 40 FR 16835, Apr. 15, 1975]

#### REQUEST FOR HEARING

#### § 200.59 Application cases.

If the applicant for a permit desires a hearing, he shall file a request therefor, in writing, with the district director within fifteen days after receipt of notice of the contemplated disapproval, in whole or in part, of his application.

[21 FR 1441, Mar. 6, 1956. Redesignated at 40 FR 16835, Apr. 15, 1975, and amended by T.D. ATF-199, 50 FR 9197, Mar. 6, 1985; T.D. ATF-374, 61 FR 29957, June 13, 1996]

#### § 200.60 Suspension, revocation, or annulment proceedings.

(a) If a hearing is desired, the respondent shall file a request, in writing, with the district director within 15 days after receipt of the citation or